## Thomas-Jensen Affirmation

Exhibit # 121

## UNITED STATES DISTRICT COURT FOR THE DISTRICT OF RHODE ISLAND

STATE OF NEW YORK; et al.,

Plaintiffs,

V.

C.A. No. 1:25-cv-00039-JJM-PAS

DONALD TRUMP, in his official capacity as President of the United States; et al.,

Defendants.

## **DECLARATION OF JOSHUA SMITH**

- I, Joshua Smith, declare as follows:
- 1. I am a resident of the State of Wisconsin. I am over the age of 18 and have personal knowledge of all the facts stated herein, except to those matters stated upon information and belief; as to those matters, I believe them to be true. If called as a witness, I could and would testify competently to the matters set forth below.
- 2. I am currently employed by the Universities of Wisconsin as Senior Associate Vice President for Finance.
- 3. The Universities of Wisconsin are a premier system of public higher education serving more than 164,000 students and awarding nearly 37,000 degrees annually. Through a constellation of 13 universities statewide, the Universities of Wisconsin are a tremendous academic, cultural, and economic resource for Wisconsin, the nation, and the world. Two nationally recognized Research I universities in Madison and Milwaukee, together with Wisconsin's only Polytechnic university and 10 comprehensive universities, offer a wide variety of undergraduate and graduate degree programs including doctoral and professional degrees.

- 4. As Senior Associate Vice President for Finance, I provide oversight to the financial administration, financial reporting, financial policies, and budget operations of the Universities of Wisconsin. My responsibilities include helping to ensure accuracy, transparency, compliance with applicable federal and state laws, and a strong financial position in support of students and the academic missions of all UW universities.
- 5. In Fiscal Year (FY) 2024-25, the Universities of Wisconsin operating budget totaled \$7.98 billion from all sources, including from the State of Wisconsin, tuition and fees, general program operations, federal funding, and gifts, grants, and contracts. Of this amount, \$1.82 billion is federal funding, including \$735.4 million in student financial assistance.
- 6. In FY 2023-24, the Universities of Wisconsin expended \$1.84 billion from federal funding. This included \$745.5 million from the Department of Education, including \$703.4 for student financial assistance and nearly \$11.8 million for the TRIO cluster of programs used to support disadvantaged students, including low-income students and those with disabilities. UW universities expended \$1.18 billion on research and development activities through 25 federal agencies.
- 7. Any pause in federal funding, particularly without requisite notice, would cause immediate and significant disruption and negative financial impacts. For example, students rely on federally funded research projects both for compensation and as part of their academic programs. Pausing federal funding, even for a short period, would make inaccessible the source of payroll funding for staff, throwing the livelihoods of these individuals and their families into disarray. As a consequence, universities may be required to compensate federally funded staff from unbudgeted nonfederal sources to comply with notice requirements related to position actions, negatively impacting university financial position. Research projects that require daily

activities and meticulous record-keeping may be ruined, setting back the research enterprise and wasting the federal investment.

- 8. Even in the absence of a pause in federal funding, the continued specter of future federal actions, including through the possible lifting of the temporary restraining order, has a negative effect on the universities. Students who are unsure whether federal financial assistance may be available for the remainder of the semester may preemptively drop out before incurring costs they cannot afford. Federally funded staff who question whether funding will be available may look to leave the university. Staff resources will be redirected from the educational mission of the Universities of Wisconsin to administrative and legal work. The general uncertainty in the middle of a semester will continue to cause undue stress of students, families, and staff.
- 9. Not including financial aid, it is estimated that the Universities of Wisconsin receive an average of \$19.5 million in federal revenue per week. These funds support an average of \$11.0 million in weekly salaries and fringe benefit costs for more than 10,000 employees, as well as a weekly average of \$6.1 million in payments to vendors. Approximately 1,500 different vendors each month provide goods and services to support federally funded research and programs at the Universities of Wisconsin.
- 10. During the week of January 27, UW universities received communications from numerous federal agencies with inconsistent and sometimes vague messages regarding implementation of Office and Management and Budget Memorandum M-25-13 and various Executive Orders. For example, eight UW universities reported receiving communication from the National Science Foundation and were unable to draw down NSF funding. On January 28, the University of Wisconsin-Platteville was unable to draw down federal funds for TRIO

programs through the Department of Education's G-5 payment system due to stop payment flag, whereas other UW universities did not experience this restriction for their TRIO programs.

11. We continue to be concerned that the funding will again be delayed or denied, including due to the temporary nature of the restraining order and ongoing communications regarding continued federal agency review of recent Executive Orders. Further, federal agencies have not provided precise definitions of terms, such as "DEIA" or "undue burden" as it relates to the "identification, development, or use of domestic energy sources," which may cause inconsistent direction from federal agencies and confusion among the universities as to which programs and expenditures to cease. This could create financial exposure and liability for UW universities if federal agencies capriciously choose to designate expenditures as not allowable under grant terms and conditions or to impose other sanctions.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on February 5, 2025, at Madison, Wisconsin

Joshua Smith

Joshua Smith